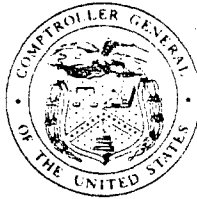


DECISION



18822 *LIEDERMAN*
**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

FILE: B-202892

DATE: July 15, 1981

MATTER OF: Belfort Instrument Company

DIGEST:

[Protest against small business set-aside of procurement] of weather instruments and related accessories is denied where, based on past procurement history, contracting officer reasonably expected offers from sufficient number of small businesses at reasonable prices.

Belfort Instrument Company (Belfort) protests the decision by the General Services Administration (GSA) to set aside for small business two classes of items under solicitation No. FCGS-H-3688-N-4-23-81. The solicitation was issued for a multiple-award schedule contract covering Federal Supply Schedule FSC group 66, part II, section "Q." The particular classes of items at issue are special items numbers (SIN's) 66-284 and 66-285, consisting of certain weather instruments and associated accessories.

Belfort alleges that the set-aside will benefit neither the Government nor small business. None of the small businesses provide instruments and accessories which compete with the ones which Belfort offers. Therefore, Belfort contends that the probable result of this set-aside will be an increase in Government purchases of foreign-manufactured instruments and an increase in the price paid by the Government because of less favorable discounts, without any increase in sales to small businesses.

We find this protest without merit.

Federal Procurement Regulations (FPR) § 1-1.706-1(c) (1964 ed. amend. 192) requires that a set-aside be effected when the contracting officer determines it to be in the interest of assuring that a fair proportion of Government procurement is placed with small business concerns. For a total setaside, FPR § 1-1.706-5(a)(2)

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requires that there must be a reasonable expectation that bids will be obtained from a sufficient number of concerns so that awards will be made at reasonable prices and provides that past procurement history is an important factor to be considered in determining whether a reasonable expectation exists.

A determination under FPR § 1-1.706-5(a)(2) concerning whether adequate competition may reasonably be expected is basically a business judgment within the broad discretion of the contracting officer for which we will not substitute our judgment, and we will sustain a determination under the regulation absent a clear showing of abuse of such discretion. Otis Elevator Company, B-196076, February 1, 1980, 80-1 CPD 86.

Here, the contracting officer determined that offers from a sufficient number of responsible small business concerns would be received to assure reasonable prices. GSA states that the determination was based mainly on the procurement history during the last two contracting cycles. In the last completed cycle (1979-1980), orders filled by four large business firms accounted for \$344,110, while orders filled by 11 small business firms accounted for \$1,171,564. No significant gaps in coverage were reported as a result of the small business performance. Under the current cycle (1980-1981), eight small business firms provide a range of 132 categories of equipment under the SIN's in question, while three large business firms provide a range of 32 categories of equipment. Seven of the eight small business firms are identified as manufacturers and all eight indicate that they provide domestic items. We note that the Small Business Administration concurred in the set-aside determination.

Since the history of the procurement of the items in question provided the contracting officer with a reasonable basis to conclude that adequate competition would occur under the set-aside, we concur that the set-aside determination was properly made. Simpson Electric Company, 190320, February 15, 1978, 78-1 CPD 129.

The protest is denied.



Acting Comptroller General
of the United States